



CANADIAN SECURITY TRADERS ASSOCIATION, INC.
P.O. Box 3, 31 Adelaide Street East, Toronto, Ontario M5C 2H8

Mr. Jonathan G. Katz, Secretary,
Securities and Exchange Commission,
450 Fifth Street,
Washington, DC 20549-0609
U.S.A.

RE: Proposed Regulation NMS (Reg NMS)
File No. S7-10-04

Dear Mr. Katz,

The Canadian Security Traders Association, Inc. appreciates the opportunity to respond to the proposal by the Securities and Exchange Commission's proposed changes to Regulation NMS.

The Canadian Security Traders Association (CSTA) is a professional trade organization that works to improve the ethics, business standards and working environment for members, who are engaged in the buying, selling and trading of securities (mainly equities). The CSTA represents over 700 traders nationwide in Canada, and is led by Governors from each of three distinct regions. The organization was founded in 2002 to serve as a national voice for our affiliate organizations. The CSTA is affiliated with the Security Traders Association (STA). We often comment on industry developments and form opinions on trading issues based on input from our membership.

Canadian and U.S. markets have always been very closely linked, whether through regulations, dual listing of some of our securities or international events. It is imperative that our markets maintain this relationship in order to facilitate the flow of liquidity across our borders.

The CSTA has reviewed the STA's position on Reg NMS and fully supports the STA's views and rationale for the position taken. The STA advocates a phased-in approach to Reg NMS; the CSTA also strongly supports this as a prudent course of action to ultimately benefit all market participants and avoid the dangers of unintended consequences.

Thank you for the opportunity to comment on this important proposal.

Yours sincerely,

Peggy Bowie,
Chair

Sandra J. Macdonald,
President